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Clamp Products, Inc.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

General Motors Corp., *et al.*,

Debtors.

Chapter 11

Case No. 09-50026 (REG)

(Jointly Administered)

**LIMITED OBJECTION OF GATES CORPORATION AND AFFILIATED
ENTITIES TO DEBTORS' NOTICE OF INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NONRESIDENTIAL PROPERTY**

Gates Corporation and affiliated entities, Schrader Electronics, Ltd., Schrader-Bridgeport International, Inc. d/b/a Schrader International, Inc., and Ideal Clamp Products, Inc. (collectively, the "Gates Entities") through their undersigned counsel, for their objection (the "Cure Objection") to the proposed cure amount ("Cure Amount") listed on Debtors' Contract Notices

website (the “Website”) pursuant to this Court’s Sale Procedures Order and paragraph A of the Assumption and Assignment Notice respectfully represent:

1. On June 1, 2009 (the “Petition Date”), the Debtors filed their voluntary petition for relief in this Court under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”).

2. Prior to the Petition Date, the Gates Entities entered into various contracts, purchase orders, and agreements whereby they would provide goods and services in exchange for timely payments of same by Debtors (collectively, the “Contracts”).

3. Pursuant to the Sale Procedures Order, the Debtors delivered its Assumption and Assignment Notice dated June 5, 2009 which included instructions to access the Website on which the Gates Entities could view a listing of those executory contracts Debtors may seek to assume and assign in connection with the sale of substantially all of their assets, and by their calculations, any corresponding proposed Cure Amount in connection with such contract or leases.

4. At the time this Cure Objection was filed, the Website identified 1144 Contracts the Debtors may seek to assume and assign in connection with the sale of substantially all of its assets and a total Cure Amount of \$6,960,128.15 due and owing to Tomkins plc¹ under the identified Contracts.

5. The Gates Entities do not object to the assumption and assignment of their Contracts *per se* and have begun, or are prepared to begin, their efforts to reach a consensual resolution of the Cure Amount with Debtors. However, as the Cure Amount has not yet been resolved, the Gates Entities, for purposes of preserving their objection rights as to the proposed

Cure Amount, make this Cure Objection pursuant to paragraph 8 of the Assumption and Assignment Notice.

Limited Objection to Proposed Cure Amount

6. The Gates Entities object to the identification of Tomkins plc as the supplier to whom the Cure Amount is owed. In fact, the Debtors owe money to the following entities: Gates Corporation, Schrader Electronics, Ltd., Schrader-Bridgeport International, Inc. d/b/a Schrader International, Inc., and Ideal Clamp Products, Inc.

7. The Gates Entities object to the proposed Cure Amount listed on the Website at the time this Cure Objection was filed as it does not fully cure and compensate them for Debtors' default(s). According to The Gates Entities' books and records, the correct Cure Amount for those Contracts listed on the Website, is \$2,804,387.18, 5,706,393.00 in Canadian Dollars, and 1,267,766.93 in British Pounds².

8. The Gates Entities reserve their right to amend or supplement this objection if, for example, Debtors seek to assume and assign additional Contracts after the Objection Deadline or if there are additional Cure Amounts relating to defaults under the Contracts that occur or continue to occur after the Petition Date. Further, by filing this Cure Objection, except to the extent governed by a Trade Agreement executed prior to the Objection Deadline, the Gates Entities do not waive any other rights, claims, or interests they have or may have under the

¹ Tomkins plc, the direct or indirect parent to the Gates Entities, is not a supplier to the Debtors and is named in this objection solely to correlate it to the Debtors' Website. By being named in this objection, Tomkins plc does not consent to jurisdiction in these reorganization cases.

² These amounts are comprised of amounts due and owing to each of the Gates Entities. The Debtors owe Schrader-Bridgeport International, Inc. d/b/a Schrader International, Inc. \$63,238.97. The Debtors owe Schrader Electronics, Ltd. \$1,595,643.09 and 1,267,766.93 in British Pounds. The Debtors owe Ideal Clamp Products, Inc. \$30,505.99. The Debtors owe Gates Corporation \$1,114,999.13 which is comprised of amounts due and owing to the Gates Corporation, Gates Canada, Inc. and Gates de Mexico, S.A. de C.V., and \$5,706,393.00 which is comprised of amounts due and owing to Gates Canada, Inc. and Gates de Mexico, S.A. de C.V. Like Tomkins plc, by being named in this Objection, Gates Canada, Inc. and Gates de Mexico, S.A. de C.V. do not consent to jurisdiction in these reorganization cases.

Contracts as provided by the Contracts or as a matter of non-bankruptcy law, all of which are expressly preserved. Finally, the Gates Entities reserve their right to assert that certain Canadian contracts expire as of January 2010.

WHEREFORE, the Gates Entities respectfully request that the Court (a) condition any assumption and assignment of the Contracts on (i) the payment in full for all outstanding amount(s) due to the Gates Entities under the Contracts in compliance with section 365 of the Bankruptcy Code and (ii) compliance with any other applicable law and (b) grant such other and further relief as the Court deems just and proper.

Dated: New York New York
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BUTZEL LONG, a professional corporation

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